



2016-2017 DRAFT BUDGET

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1. Legislative Compliance

In terms of Section 21 of the MFMA the Mayor of the municipality is required to co-ordinate the annual budget preparation processes. Furthermore, in terms of Section 21 (2), the municipality must take into account the Integrated Development Plan (IDP), and the DORA for both provincial and national budgets.

Further to the above, MFMA budget circulars and regulations are also considered. In this instance MFMA Circular 79 was considered during the budget preparation process.

Budget assumptions are applied to ensure that a more realistic budget is compiled. The budget assumptions applied in this document was extracted from MFMA Circular 79 and other key market indicators as researched. It is also based on historical data from previous budget trends.

2. Budget Methodology / Assumptions

2.1. Operational Revenue

The municipality's primary source of revenue are from Government Grants, therefore the municipality is solely Grant depended for its operational capacity. Secondary revenue sources are Property Rates, Traffic Fines, Rental of facilities and Licences and permits which are significantly low. Property rates for instance, does not yield the desired outcome, due to the fact that the boundaries of the municipality incorporate mainly tribal land which is non-rateable.

2.1.1. Operational Grants

All operational grants was extracted from the DORA 2016/2017 & 2015/2016. The combined equitable share was split according to the MFMA circular 79. The percentage was provided by COGTA as their email dated 22 March 2016. The percentage utilized was 61.12% for the equitable share split.

2.1.2. Property Rates

The municipality applied a 5% increase in tariffs for the 2015/2016 financial year. The decision to maintain the same increase for the 2016/2017 and outer years 2017/2018 & 2018/2019 was concurred, largely due to the fact that the Municipality will be amalgamated in 2016/2017 financial year.

The increase in tariffs is 1,6% below current CPI as prescribed in MFMA Circular 79.

The current applicable tariffs will be as follows:

	2015/2016 Tariffs	2016/2017 Tariffs
Agriculture	0.0021	0.0022
Agricultural Small holding	0.0021	0.0022
Commercial	0.0061	0.0064
Communal land	Non Rateable	Non Rateable
Communal land and property ass	0.0042	0.0045
Industrial	0.0061	0.0064
P S I (first R 30000)	0.0061	0.0064
State owned	0.0243	0.0255
Municipal	Non Rateable	Non Rateable
Place of worship	Non Rateable	Non Rateable
CONSERVATION – NEMA	Non Rateable	Non Rateable
RESIDENTIAL	0.0082	0.0087

The current property valuations are as follows:

Property Type	Market Value	Reduction	Billed Valuation
Agriculture	315,220,000.00		315,220,000.00
Agricultural Small holding	27,665,000.00		27,665,000.00
Commercial	57,850,000.00		57,850,000.00
Communal land	159,650,000.00		159,650,000.00
Communal land and property ass	12,300,000.00		12,300,000.00
Industrial	4,000,000.00		4,000,000.00
P S I (first R 30000)	16,455,000.00	3,291,000.00	13,164,000.00
State owned	776,673,000.00		776,673,000.00
Municipal	20,895,000.00		20,895,000.00
Place of worship	4,150,000.00		4,150,000.00

CONSERVATION - NEMA	15,000,000.00		15,000,000.00
RESIDENTIAL	6,865,000.00	210,000.00	6,655,000.00

2.1.3. Revenue forgone

The applicable reduction rate is 40%, this was applied to the budget figure for rates 2016/2017

2.1.4. Rates penalties

The current rates penalty applicable is 9% on all outstanding debtors.

The calculations for Rates penalties disclosed in the 2016/2017 budget is as follows

- Outstanding debtors as at 31 January 2016 = R 23,652,809.83 + R 2,750,000
(remaining rates to be raised up June 2016) = R 26,402,809.83 x 9% = R 2,376,252.88

2.1.5. Interest on investment

The interest rate for all major banks was researched for fixed deposits.

The calculation below indicates the average rate derived.

- AVG interest rate 9,1% (Calculated by adding all rates divide by 3)
 - ABSA = 9% on fixed deposit > 12 months
 - FNB = 9.8% on fixed deposit > 12 months
 - STD = 8.85% on fixed deposit > 12 months
- Capital Market rate as per Reserve bank (10 March 2016) = 8.85%

The Interest on investment revenue is based on the assumption that the municipality will hold a minimum of R 20 million.

Two options for Interest on revenue was provided, however the Capital market rate provided by the Reserve bank was utilized for budgeting purposes

Option 1 – AVG bank rate = 20,000,000 x 9.1% = R 1,820,000

Option 2 – Capital Market rate = 20,000,000 x 8.85% = R 1,770,000

2.1.6. Rental of facilities

Rental of facilities relates to Rental revenue from letting of office space in the MPCC.

The increase in rental revenue was based on the current lease agreements.

- Current rental is R 3,453 per month. For the 12 months period this equates to R 41,436.

The calculation for rental revenue is as follows:

- The rate of escalation is 10% per annum as per agreement.
- Budget 2016/2017 = $41,436 \times 10\% = R 45,579.60$

2.1.7. Fines

This revenue relates to Traffic fines. The revenue from traffic fines has not yielded the expected returns from previous years.

The municipality will be looking at re-engineering business processes to make this department more effective. This process will be more effective when the Municipality amalgamates. The revenue was increased by CPI (6.6%) as prescribed in MFMA Circular 79.

2.1.8. Licences and Permits

This revenue relates to Business permits issued by the Municipality.

Since economic growth in Imbabazane is stagnant, mainly due to land residing within the tribal authorities, more informal businesses are present.

Therefore the revenue was increase by CPI (6.6%) as prescribed in MFMA Circular 79.

2.1.9. Other Income

Other income comprises of Tender Deposits ; Photo copies; and Rate Clearance Certificates.

This revenue source is extremely low and would not have a significant effect on the budgeted revenue.

All these revenue sources were increased by (6.6%) as prescribed in MFMA Circular 79.

3. Operational Expenditure (OPEX)

3.1. Salaries and Allowances

The salary budget is based on the current organogram.

The salaries and wages for 2016/2017 was increased by CPI (6.6%) + 1% as prescribed by the MFMA Circular 79.

3.2. Councillor Allowances

The Councillor allowances for 2016/2017 was increased by 7%, which was in terms of the upper limits as prescribed for 2015/2016. The increased was maintained as the Municipality is in the process of amalgamation, and as such the grading will change. The increase is only 0.6% less than the prescribed increased for salaries and wages in terms of MFMA Circular 79.

NB: Total salaries and councilor allowances must not exceed the Total operating expenditure by 40%. The current calculations equate to 36% which is 4% less than the norm.

3.3. General Expenditure

All general expenditure items was increased by CPI (6.6%) as prescribed by MFMA Circular no. 79.

Certain general expenditure such as entertain, meetings, catering was reduced to minimum as required in terms of MFMA Circular 79.

3.4. Repairs & Maintenance (R & M)

The budget for various categories of R & M was increased by 8% of the carrying value of PPE (Property, Plant & Equipment), as per the norm.

The calculation for R & M 2016/2017 is as follows:

Carrying Value 2015:	R 112,993,466
Less: Additions 2015:	R 24,835,108

Net Amount: R 88,158,358

Add: Investment Property @ carrying value R 1,668,067

Total $R 89,826,425 \times 8\% = R 7,186,114$ (R & M)

The R & M budget was further increased by R 2,1 million to accommodate R & M to community halls/ buildings. This was due to certain buildings/ halls completed during the 2015/16 but was neglected or vandalized by the community.

NB: Additions are removed from the calculations as the assumption is that new assets will not require significant maintenance or repairs.

3.5. Debt Impairment (provision for bad debts)

- Provision was increased by the average provision rate over the aging of debt which equates to 58%. This was calculated by adding up all rates and dividing it by the number of rates (25+50+100)/3 = avg. provision rate.
- The municipality provides for debts as follows:

90	0%
91 - 120	25%
121 - 365	50%
365+	100%

3.5. Other Provisions

- Leave Provision, the budget as per 2015/2016 i.e. R 918,270.61 was utilized.
- Annual Bonus Provision was calculated taking the total salaries & wages, excluding director's remuneration and councillor allowance and dividing that by 12 months to obtain the bonus. The bonus is month's salary as a 13th cheque.
- Long Service Award Provision, the estimate of R 63,539 was budgeted as contributions for 2016/2017. This is in terms of the actuarial report compiled for 2014/2015 actuals.

3.6. Depreciation & Asset impairment

- The depreciation was based on the current budget plus 5% which is the norm.
- Current Depreciation is $R 10,039,000 \times 5\% = R 10,540,950$

3.7. Contracted Services

The current contracts were increased by CPI.

- Security - R 4,060,000 x CPI (6.6%) = R 4,327,960
- Office Machines - 650,000 x CPI (6.6%)= R 692,900

3.8. Bank Charges

The current budget for bank charges was increased by the current repo rate 6%.

4. Capital Expenditure (CAPEX)

The MIG grant was split as follows for capital expenditure:

1. 64% of the MIG Budget was allocated for rehabilitation for Roads.
2. 36% of the MIG Budget was allocated for new projects for Roads & Community Halls.

MTREF DRAFT BUDGET 2016/2017 ANALYSIS

1. Revenue by Source

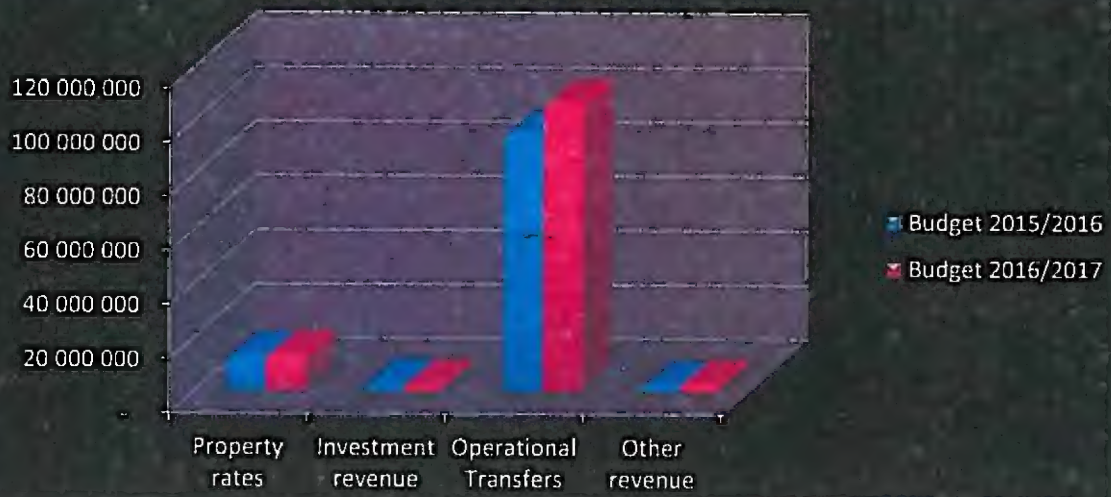
The table below provides a comparison between 2015/2016 to 2016/2017 budgets.

The following is noted from the table:

- Property Rates was increased by 5%
- Interest on investment is below the previous estimate. This based on a zero budgeting process and the assumption that the Municipality will hold R 20million in investments at the Capital Market Rate of 8.85% as prescribed by the Reserve Bank.
- Operational Transfers is in terms of the DORA. The DORA for 2015/2016 was utilized as the 2016/2017 DORA combines the allocated for both municipalities.
- Other revenue increased from previous estimates largely due to the increase in Rates penalties/ interest on outstanding debtors. This increase was 9% of the estimated R26 million in outstanding as at 30 June 2016.

	Budget 2015/2016	Budget 2016/2017
Property rates	12,064,000	12,667,459
Investment revenue	2,000,000	1,770,000
Operational Transfers	94,201,000	105,073,000
Other revenue	959,000	2,490,696

Comparison 2015/16 vs 2016/2017



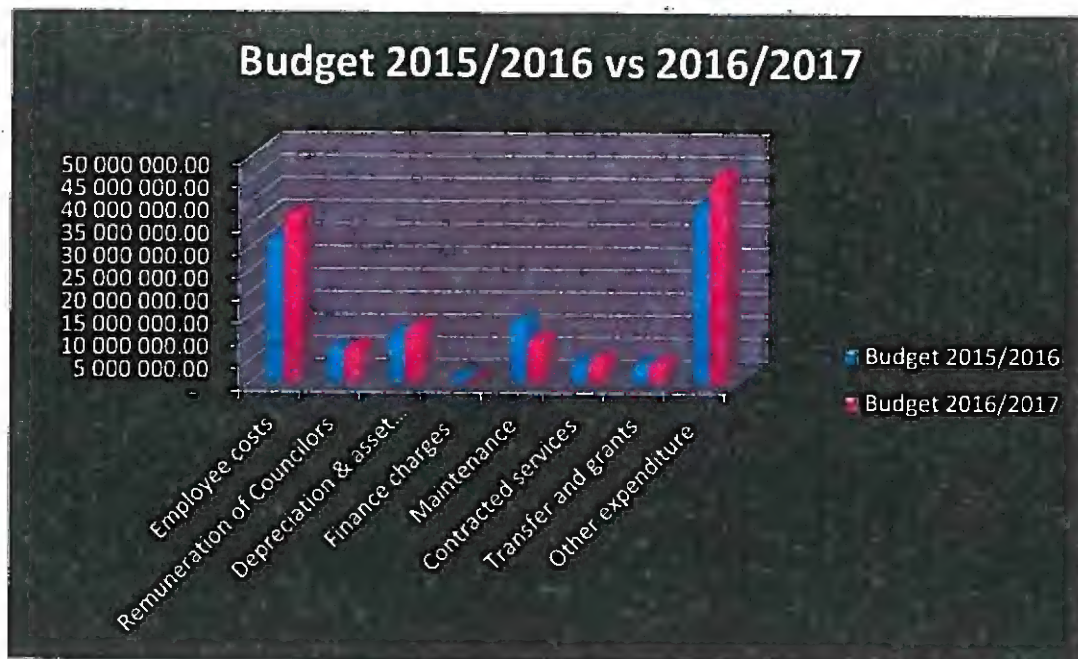
2. Expenditure by Type

The table below provides a comparison between 2015/2016 to 2016/2017 budgets.

The following is noted from the table:

- Employee costs were increased by 7.6% as per MFMA Circular 79. Please note that Salaries and Wages constitute 36% of Total operating expenditure.
- Remuneration of Councillors was increased by 7% as per the upper limits for 2015/2016
- Depreciation & asset impairment was increased 5%
- Finance charges were not budget, as this will relate to other interest paid (Fruitless & Wasteful). The municipality has no Finance leases, but operating leases.
- Maintenance decreased from the previous estimate, as a proper calculation was performed. The budget was based on the carrying amount of PPE multiplied by 8%.
- Increased in Contracted Services was based on CPI (6.6%). This includes contracts for Security and Rental of Office equipment.
- Other expenditure (General Expenditure) was increased by CPI (6.6%) as per MFMA Circular 79

	Budget 2015/2016	Budget 2016/2017
Employee costs	31,510,000.00	36,845,467.77
Remuneration of Councillors	7,225,000.00	7,715,778.56
Depreciation & asset impairment	10,842,000.00	11,809,921.00
Finance charges	390,000.00	
Maintenance	13,387,000.00	9,438,187.00
Contracted services	4,710,000.00	5,020,460.00
Transfer and grants	4,000,000.00	4,264,000.00
Other expenditure	39,051,000.00	46,092,602.00



3. CAPITAL Expenditure (CAPEX)

The Capex will be funded by MIG allocated of R 24,316,000 and own sources of R 675,000.00.

The rehabilitation of Roads constitutes 64% of the MIG budget, and 36% constitutes new projects.

The following projects will be funded from MIG:

Road Rehabilitation Projects	
Dube-Village- Nathana Access Road-Rehabilitation	R6,878,006.85
Mankonjane Access Road Rehabilitation	R5,830,783.00
Mahlutshini Access Gravel Road-rehabilitation	R2,654,403.04
Thwathwa to Mvundlweni link Access Road-rehabilitation	R255,275.00
	15,618,467.89
New Roads Projects	
Masimini Gravel Road	R2,882,219.78
Tatane Vehicle Bridge	R268,237.33
Newlands-Lochsloy Pedestrian Bridge	R229,901.96
Ngodini (Mshweshwe) Phase 2 Gravel Road	R428,594.61
Mbangeni (Sobabili) Vehicle Bridge (Ward 5)	R577,793.40
MDWEBU/SOBABILI BRIDGE	R101,703.24
	4,488,450.32

Community Halls	
IPHANGWENI COMMUNITY HALL	R76,566.57
BRUNGANE/ROSEDALE COMMUNITY	R110,669.76
IMQEDANDABA COMMUNITY HALL	R123,232.45
THWATHWA/STANDARE HALL	R21,893.19
MAZIYANE COMMUNITY HALL	R391,874.19
Madazana Community Hall	R3,484,845.63
	4,209,081.79

Other Capital assets

OFFICE FURNITURE	225,000
COMPUTER AND PRINTERS	250,000
VEHICLES	200,000

A SCHEDULES

KZN236 Imbabazane - Table A1 Budget Summary

Description	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Financial Performance										
Property rates	6 316	7 261	8 630	12 864	12 864	12 864	12 864	15 044	-	-
Service charges	-	-	-	-	-	-	-	-	-	-
Investment revenue	1 858	2 727	2 274	1 500	2 000	2 000	2 000	1 770	-	-
Transfers recognised - operational	66 544	75 408	78 320	109 347	94 201	94 201	94 201	105 073	-	-
Other own revenue	2 662	2 817	1 022	197	158	158	158	114	-	-
Total Revenue (excluding capital transfers and contributions)	77 380	88 212	90 245	123 908	109 223	109 223	109 223	122 001	-	-
Employee costs	18 713	17 775	41 221	35 309	31 510	31 510	31 510	36 845	-	-
Remuneration of councillors	5 997	6 180	6 818	7 221	7 225	7 225	7 225	7 716	-	-
Depreciation & asset impairment	4 733	7 717	10 228	9 230	10 039	10 039	10 039	10 541	-	-
Finance charges	87	39	66	120	390	390	390	74	-	-
Materials and bulk purchases	3 589	6 905	8 572	9 390	13 387	13 387	13 387	9 438	-	-
Transfers and grants	2 725	3 467	-	-	-	-	-	4 264	-	-
Other expenditure	28 537	42 410	45 813	62 740	44 564	44 564	44 564	52 448	-	-
Total Expenditure	64 382	84 493	112 717	124 010	107 115	107 115	107 115	121 326	-	-
Surplus/(Deficit)	12 998	3 720	(22 472)	(102)	2 108	2 108	2 108	675	-	-
Transfers recognised - capital	23 007	21 786	22 787	23 517	23 517	23 517	23 517	24 316	-	-
Contributions recognised - capital & contributed	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	36 005	25 506	315	23 415	25 625	25 625	25 625	24 991	-	-
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	36 005	25 506	315	23 415	25 625	25 625	25 625	24 991	-	-
Capital expenditure & funds sources										
Capital expenditure	24 816	23 996	29 394	28 350	28 350	28 350	28 350	24 991	-	-
Transfers recognised - capital	20 983	21 786	22 787	23 517	23 517	23 517	23 517	24 316	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	3 833	2 210	6 607	4 833	4 833	4 833	4 833	675	-	-
Total sources of capital funds	24 816	23 996	29 394	28 350	28 350	28 350	28 350	24 991	-	-
Financial position										
Total current assets	54 162	62 826	53 707	72 646	76 701	76 701	76 701	78 361	-	-
Total non current assets	88 218	100 822	114 990	127 192	145 503	145 503	145 503	159 758	-	-
Total current liabilities	14 185	15 192	20 917	24 539	24 539	24 539	24 539	15 463	-	-
Total non current liabilities	184	-	889	-	-	-	-	-	-	-
Community wealth/Equity	126 031	148 457	146 890	175 300	197 665	197 665	197 665	222 656	-	-
Cash flows										
Net cash from (used) operating	29 096	26 441	1 505	29 395	32 648	32 648	32 648	24 857	-	-
Net cash from (used) investing	(14 786)	(23 054)	(25 535)	(29 140)	(29 140)	(29 140)	(29 140)	(24 991)	-	-
Net cash from (used) financing	-	-	(164)	-	-	-	-	-	-	-
Cash/cash equivalents at the year end	46 246	49 474	22 710	22 965	26 217	26 217	26 217	26 083	26 083	26 083
Cash backing/surplus reconciliation										
Cash and investments available	48 086	49 263	22 704	43 964	47 216	47 216	47 216	48 083	-	-
Application of cash and investments	7 416	7 520	2 473	(8 638)	(9 446)	(9 446)	(9 446)	(1 683)	-	-
Balance - surplus (shortfall)	38 670	41 743	20 231	52 602	56 662	56 662	56 662	47 766	-	-
Asset management										
Asset register summary (WDV)	86 218	100 684	122 603	124 984	153 333	153 333	153 333	2 014	-	-
Depreciation & asset impairment	4 733	7 717	10 228	9 230	10 039	10 039	10 039	10 541	-	-
Renewal of Existing Assets	-	-	-	-	-	-	-	15 618	-	-
Repairs and Maintenance	-	-	-	-	-	-	-	-	-	-
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	329	-	11 596	16 086	16 086	16 086	16 488	16 488	8 445	-
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

KZN236 Imbabazane - Table A2 Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1									
Revenue - Standard										
Governance and administration		59 419	49 086	49 602	62 566	61 206	61 206	66 868	-	-
Executive and council		10 500	8 874	14 085	14 185	14 185	14 185	15 641	-	-
Budget and treasury office		32 219	27 402	22 443	35 564	34 204	34 204	30 952	-	-
Corporate services		16 700	12 810	13 074	12 817	12 817	12 817	20 276	-	-
Community and public safety		17 063	37 422	37 697	30 262	30 224	30 224	27 109	-	-
Community and social services		17 063	37 422	37 697	30 262	30 224	30 224	27 109	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		23 904	23 490	26 097	54 597	41 311	41 311	52 340	-	-
Planning and development		14 510	13 957	13 080	45 032	32 746	32 746	32 233	-	-
Road transport		9 394	9 533	13 017	8 565	8 565	8 565	20 107	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	2	100 386	109 998	113 386	147 425	132 740	132 740	146 317	-	-
Expenditure - Standard										
Governance and administration		36 314	46 476	48 797	58 176	58 361	58 361	66 328	-	-
Executive and council		10 953	12 429	14 103	14 913	16 217	16 217	15 531	-	-
Budget and treasury office		13 944	25 028	23 006	27 294	27 396	27 396	30 872	-	-
Corporate services		11 416	9 028	11 688	15 968	14 749	14 749	19 926	-	-
Community and public safety		17 056	25 953	31 715	37 805	37 697	37 697	22 840	-	-
Community and social services		17 056	25 953	31 715	37 805	37 697	37 697	22 840	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-
Economic and environmental services		11 011	12 064	25 156	32 029	15 058	15 058	32 158	-	-
Planning and development		11 011	12 064	25 156	32 029	15 058	15 058	32 158	-	-
Road transport		-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-
Other	4	-	-	-	-	-	-	-	-	-
Total Expenditure - Standard	3	64 381	84 493	105 688	128 010	111 116	111 116	121 326	-	-
Surplus/(Deficit) for the year		36 005	25 505	7 728	19 415	21 625	21 625	24 991	-	-

KZN236 Imbabazane - Table A3 Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description R thousand	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Revenue by Vote	1									
Vote 1 - Executive and Council		10 500	8 874	14 085	14 185	14 185	14 185	15 641	-	-
Vote 2 - Budget and Treasury office		32 219	27 432	23 205	36 364	35 004	35 004	30 952	-	-
Vote 3 - Waste / Refuse Management		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social service		17 063	37 393	37 697	30 262	30 224	30 224	27 109	-	-
Vote 5 - Corporate services		16 700	12 810	13 074	12 817	12 817	12 817	20 276	-	-
Vote 6 - Public safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Sports and recreation		-	-	-	-	-	-	-	-	-
Vote 9 - Technical and Planning development		14 510	23 490	13 060	46 032	32 746	32 746	32 233	-	-
Vote 10 - Road transport		9 394	-	13 817	8 565	8 565	8 565	20 107	-	-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Health		-	-	-	-	-	-	-	-	-
Vote 13 - Markets		-	-	-	-	-	-	-	-	-
Vote 14 - Tourism		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Water Management		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	100 386	109 999	114 158	148 225	133 540	133 540	146 317	-	-
Expenditure by Vote to be appropriated	1									
Vote 1 - Executive and Council		10 953	12 420	14 104	14 913	16 217	16 217	15 539	-	-
Vote 2 - Budget and Treasury office		13 944	25 028	23 006	27 294	27 396	27 396	30 872	-	-
Vote 3 - Waste / Refuse Management		-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social service		17 056	25 953	31 716	37 805	37 697	37 697	22 840	-	-
Vote 5 - Corporate services		11 416	9 028	11 688	15 968	14 749	14 749	19 925	-	-
Vote 6 - Public safety		-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-
Vote 8 - Sports and recreation		-	-	-	-	-	-	-	-	-
Vote 9 - Technical and Planning development		11 011	12 064	25 157	32 025	15 038	15 058	32 156	-	-
Vote 10 - Road transport		-	-	-	-	-	-	-	-	-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-	-	-
Vote 12 - Health		-	-	-	-	-	-	-	-	-
Vote 13 - Markets		-	-	-	-	-	-	-	-	-
Vote 14 - Tourism		-	-	-	-	-	-	-	-	-
Vote 15 - Waste Water Management		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	64 381	84 493	105 671	128 010	111 116	111 116	121 326	-	-
Surplus/(Deficit) for the year	2	36 005	25 506	8 487	20 215	22 425	22 425	24 991	-	-

KZN236 Imbabazane - Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1										
Revenue By Source											
Property rates	2	6 316	7 261	7 711	12 064	12 064	12 064	12 064	12 667	-	-
Property rates - penalties & collection charges				919	800	800	800	800	2 376	-	-
Service charges - electricity revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - other											
Rental of facilities and equipment		111		64	72	30	30	30	46		
Interest earned - external investments		1 858	2 727	2 274	1 500	2 000	2 000	2 000	1 770		
Interest earned - outstanding debtors											
Dividends received											
Fines		5			1	5	5	5	1		
Licences and permits		1		1	2	2	2	2	2		
Agency services											
Transfers recognised - operational		66 544	75 408	78 320	109 347	94 201	94 201	94 201	105 073		
Other revenue	2	2 515	2 817	957	62	62	62	62	68	-	-
Gains on disposal of PPE		31			60	60	60	60			
Total Revenue (excluding capital transfers and contributions)		77 380	88 212	90 245	123 908	109 223	109 223	109 223	122 001	-	-
Expenditure By Type											
Employee related costs	2	18 713	17 775	41 221	35 309	31 510	31 510	31 510	36 845	-	-
Remuneration of councillors		5 997	6 180	6 818	7 221	7 225	7 225	7 225	7 716	-	-
Debt impairment	3		282	769	750	803	803	803	1 269	-	-
Depreciation & asset impairment	2	4 733	7 717	10 228	9 230	10 039	10 039	10 039	10 541	-	-
Finance charges		87	39	66	120	390	390	390	74	-	-
Bulk purchases	2	-	-	-	-	-	-	-	-	-	-
Other materials	8	3 589	6 905	8 572	9 390	13 387	13 387	13 387	9 438	-	-
Contracted services		1 698	3 812	3 417	4 300	4 710	4 710	4 710	5 020	-	-
Transfers and grants		2 725	3 467	-	-	-	-	-	4 264	-	-
Other expenditure	4, 5	26 839	38 317	40 859	57 690	39 051	39 051	39 051	46 158	-	-
Loss on disposal of PPE				768							
Total Expenditure		64 382	84 493	112 717	124 010	107 115	107 115	107 115	121 326	-	-
Surplus/(Deficit)											
Transfers recognised - capital	d	12 998	3 720	(22 472)	(102)	2 108	2 108	2 108	675	-	-
Contributions recognised - capital		23 007	21 786	22 787	23 517	23 517	23 517	23 517	24 316	-	-
Contributed assets		-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions		36 005	25 506	315	23 415	25 625	25 625	25 625	24 991	-	-
Taxation										-	-
Surplus/(Deficit) after taxation		36 005	25 506	315	23 415	25 625	25 625	25 625	24 991	-	-
Attributable to minorities										-	-
Surplus/(Deficit) attributable to municipality		36 005	25 506	315	23 415	25 625	25 625	25 625	24 991	-	-
Share of surplus/ (deficit) of associate	7									-	-
Surplus/(Deficit) for the year		36 005	25 506	315	23 415	25 625	25 625	25 625	24 991	-	-

KZN236 Imbabazane - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		-	-	-	-	-	-	-	-	-	-
Vote 2 - Budget and Treasury office		-	-	-	-	-	-	-	-	-	-
Vote 3 - Waste / Refuse Management		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social service		-	-	9 770	-	-	-	-	4 209	-	-
Vote 5 - Corporate services		-	-	-	-	-	-	-	-	-	-
Vote 6 - Public safety		-	-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-	-
Vote 8 - Sports and recreation		-	-	-	-	-	-	-	-	-	-
Vote 9 - Technical and Planning development		14 510	20 677	-	-	-	-	-	-	-	-
Vote 10 - Road transport		9 394	-	13 097	-	-	-	-	15 518	-	-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-	-	-	-
Vote 12 - Health		-	-	-	-	-	-	-	-	-	-
Vote 13 - Markets		-	-	-	-	-	-	-	-	-	-
Vote 14 - Tourism		-	-	-	-	-	-	-	-	-	-
Vote 15 - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	23 904	20 677	22 787	-	-	-	-	19 828	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - Executive and Council		-	97	2 663	1 660	1 660	1 660	1 660	110	-	-
Vote 2 - Budget and Treasury office		202	298	174	80	80	80	80	80	-	-
Vote 3 - Waste / Refuse Management		-	-	-	-	-	-	-	-	-	-
Vote 4 - Community and Social service		128	635	189	15 012	15 012	15 012	15 012	60	-	-
Vote 5 - Corporate services		511	553	848	170	170	170	170	350	-	-
Vote 6 - Public safety		-	-	-	-	-	-	-	-	-	-
Vote 7 - Housing		-	-	-	-	-	-	-	-	-	-
Vote 8 - Sports and recreation		-	2 371	-	-	-	-	-	-	-	-
Vote 9 - Technical and Planning development		72	8	2 133	2 863	2 863	2 863	2 863	75	-	-
Vote 10 - Road transport		-	-	-	8 565	8 565	8 565	8 565	4 488	-	-
Vote 11 - Environmental Protection		-	-	-	-	-	-	-	-	-	-
Vote 12 - Health		-	-	-	-	-	-	-	-	-	-
Vote 13 - Markets		-	-	-	-	-	-	-	-	-	-
Vote 14 - Tourism		-	-	-	-	-	-	-	-	-	-
Vote 15 - Waste Water Management		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		912	3 962	6 407	28 350	28 350	28 350	28 350	5 163	-	-
Total Capital Expenditure - Vote		24 816	24 639	29 394	28 350	28 350	28 350	28 350	24 991	-	-
Capital Expenditure - Standard											
Governance and administration		713	948	3 883	1 910	1 910	1 910	1 910	540	-	-
Executive and council		-	97	2 663	1 660	1 660	1 660	1 660	110	-	-
Budget and treasury office		202	298	174	80	80	80	80	80	-	-
Corporate services		511	553	848	170	170	170	170	350	-	-
Community and public safety		128	2 371	9 959	15 012	15 012	15 012	15 012	4 269	-	-
Community and social services		128	-	9 959	15 012	15 012	15 012	15 012	4 269	-	-
Sport and recreation		-	2 371	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		23 975	20 677	15 750	11 427	11 427	11 427	11 427	20 182	-	-
Planning and development		14 582	20 677	15 750	2 863	2 863	2 863	2 863	75	-	-
Road transport		9 394	-	-	8 565	8 565	8 565	8 565	20 107	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	24 816	23 996	29 394	28 350	28 350	28 350	28 350	24 991	-	-
Funded by:											
National Government		20 963	24 785	22 787	23 517	23 517	23 517	23 517	24 416	-	-
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	20 963	21 788	22 787	23 517	23 517	23 517	23 517	24 316	-	-
Public contributions & donations		-	-	-	-	-	-	-	-	-	-
Borrowing	5	-	-	-	-	-	-	-	-	-	-
Internally generated funds	6	3 853	2 210	5 607	4 833	4 833	4 833	4 833	675	-	-
Total Capital Funding	7	24 816	23 996	29 394	28 350	28 350	28 350	28 350	24 991	-	-

KZN236 Imbabazane - Table A6 Budgeted Financial Position

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
ASSETS											
Current assets											
Cash		46 086	14 095	7 562	22 965	26 217	26 217	26 217	26 083	-	-
Call investment deposits	1	-	35 168	15 142	20 999	20 999	20 999	20 999	20 000	-	-
Consumer debtors	1	4 874	8 725	13 605	24 076	24 879	24 879	24 879	27 672	-	-
Other debtors		3 202	4 838	17 398	4 606	4 606	4 606	4 606	4 606	-	-
Current portion of long-term receivables											
Inventory	2										
Total current assets		54 162	62 826	53 707	72 646	76 701	76 701	76 701	78 361	-	-
Non current assets											
Long-term receivables											
Investments											
Investment property		1 626	1 557	1 668	1 685	1 685	1 685	1 685	1 685	-	-
Investment in Associate											
Property, plant and equipment	3	84 459	98 621	112 993	124 984	143 295	143 295	143 295	157 745	-	-
Agricultural											
Biological											
Intangible		133	507	329	329	329	329	329	329	-	-
Other non-current assets			138		194	194	194	194		-	-
Total non current assets		86 218	100 822	114 990	127 182	145 503	145 503	145 503	159 758	-	-
TOTAL ASSETS		140 380	163 648	168 697	199 838	222 204	222 204	222 204	238 119	-	-
LIABILITIES											
Current liabilities											
Bank overdraft	1										
Borrowing	4	209	164	-	-	-	-	-	-	-	-
Consumer deposits											
Trade and other payables	4	13 194	15 028	17 796	20 177	20 177	20 177	20 177	10 699	-	-
Provisions		782		3 121	4 362	4 362	4 362	4 362	4 764	-	-
Total current liabilities		14 185	15 192	20 917	24 539	24 539	24 539	24 539	15 463	-	-
Non current liabilities											
Borrowing		164	-	-	-	-	-	-	-	-	-
Provisions		-	-	889	-	-	-	-	-	-	-
Total non current liabilities		164	-	889	-	-	-	-	-	-	-
TOTAL LIABILITIES		14 349	15 192	21 807	24 539	24 539	24 539	24 539	15 463	-	-
NET ASSETS	5	126 031	148 457	146 890	175 300	197 665	197 665	197 665	222 656	-	-
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		126 031	148 457	146 890	175 300	197 665	197 665	197 665	222 656	-	-
Reserves	4	-	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	5	126 031	148 457	146 890	175 300	197 665	197 665	197 665	222 656	-	-

KZN236 Imbabazane - Table A7 Budgeted Cash Flows

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2018/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2018/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Property rates penalties & collection charges		6 402	3 307	2 830	12 864	12 864	12 864	12 864	5 700	-	-
Service charges										-	-
Other revenue			2 271	1 941	197	159	159	159	114	-	-
Government - operating	1	61 159	95 513	75 182	109 347	94 201	94 201	94 201	105 073	-	-
Government - capital	1	20 963		22 787	23 517	23 517	23 517	23 517	24 316	-	-
Interest		1 858	2 727	2 274	1 500	2 000	2 000	2 000	1 770	-	-
Dividends										-	-
Payments											
Suppliers and employees		(58 479)	(77 339)	(103 442)	(113 910)	(95 703)	(95 703)	(95 703)	(107 779)	-	-
Finance charges		(82)	(39)	(66)	(120)	(390)	(390)	(390)	(74)	-	-
Transfers and Grants	1	(2 725)			(4 000)	(4 000)	(4 000)	(4 000)	(4 264)	-	-
NET CASH FROM/(USED) OPERATING ACTIVITIES		29 096	26 441	1 505	29 395	32 648	32 648	32 648	24 857	-	-
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		31		115	(790)	(790)	(790)	(790)	-	-	-
Decrease (increase) in non-current debtors									-	-	-
Decrease (increase) other non-current receivables									-	-	-
Decrease (increase) in non-current investments		10 000							-	-	-
Payments											
Capital assets		(24 816)	(23 054)	(25 650)	(28 350)	(28 350)	(28 350)	(28 350)	(24 994)	-	-
NET CASH FROM/(USED) INVESTING ACTIVITIES		(14 786)	(23 054)	(25 535)	(28 140)	(28 140)	(28 140)	(28 140)	(24 994)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans									-	-	-
Borrowing long term/refinancing									-	-	-
Increase (decrease) in consumer deposits									-	-	-
Payments											
Repayment of borrowing				(164)					-	-	-
NET CASH FROM/(USED) FINANCING ACTIVITIES		-	-	(164)	-	-	-	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD											
Cash/cash equivalents at the year begin.	2	14 310	3 388	(24 194)	255	3 508	3 508	3 508	(134)	-	-
Cash/cash equivalents at the year end.	2	31 936	46 087	46 904	22 709	22 709	22 709	22 709	26 217	26 083	26 083
Cash/cash equivalents at the year end.	2	46 246	49 474	22 710	22 965	26 217	26 217	26 217	25 083	26 083	26 083

KZN236 Imbabazane - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16				2016/17 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	46 246	49 474	22 753	22 965	26 217	26 217	26 217	+26 083	26 083	26 083
Other current investments > 90 days		(150)	(210)	(6)	21 000	20 999	20 999	20 999	20 000	(26 083)	(26 083)
Non current assets - investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		46 096	49 263	22 747	43 964	47 216	47 216	47 216	46 083	-	-
Application of cash and investments											
Unspent conditional transfers		11 786	3 174	-	15 486	15 486	15 486	15 486	-	-	-
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(4 371)	4 346	2 473	(24 124)	(24 932)	(24 932)	(24 932)	(1 683)	-	-
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		7 416	7 120	2 473	(8 638)	(9 446)	(9 446)	(9 446)	(1 683)	-	-
Surplus(shortfall)		38 680	42 143	20 274	52 602	56 662	56 662	56 662	47 766	-	-

KZN236 Imbabazane - Table A9 Asset Management

Description		Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
CAPITAL EXPENDITURE											
Total New Assets		1	-	-	-	-	-	-	8 598	-	-
Infrastructure - Road transport			-	-	-	-	-	-	4 488	-	-
Infrastructure - Electricity			-	-	-	-	-	-	-	-	-
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Infrastructure			-	-	-	-	-	-	4 488	-	-
Community			-	-	-	-	-	-	4 209	-	-
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets			-	-	-	-	-	-	-	-	-
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets		2	-	-	-	-	-	-	15 618	-	-
Infrastructure - Road transport			-	-	-	-	-	-	15 618	-	-
Infrastructure - Electricity			-	-	-	-	-	-	-	-	-
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Infrastructure			-	-	-	-	-	-	15 618	-	-
Community			-	-	-	-	-	-	-	-	-
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets			-	-	-	-	-	-	-	-	-
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
Total Capital Expenditure		4	-	-	-	-	-	-	20 107	-	-
Infrastructure - Road transport			-	-	-	-	-	-	-	-	-
Infrastructure - Electricity			-	-	-	-	-	-	-	-	-
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Infrastructure			-	-	-	-	-	-	20 107	-	-
Community			-	-	-	-	-	-	4 209	-	-
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			-	-	-	-	-	-	-	-	-
Other assets			-	-	-	-	-	-	-	-	-
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class		2	-	-	-	-	-	-	24 316	-	-
ASSET REGISTER SUMMARY - PPE (WDV)		5	29 402	41 307	49 471	73 065	81 629	81 629	-	-	-
Infrastructure - Road transport			29 402	41 307	49 471	73 065	81 629	81 629	-	-	-
Infrastructure - Electricity			-	-	-	-	-	-	-	-	-
Infrastructure - Water			-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation			-	-	-	-	-	-	-	-	-
Infrastructure - Other			-	-	-	-	-	-	-	-	-
Infrastructure			29 402	41 307	49 471	73 065	81 629	81 629	-	-	-
Community			7 524	-	18 638	30 849	45 801	45 801	-	-	-
Heritage assets			-	-	-	-	-	-	-	-	-
Investment properties			1 626	1 557	1 668	1 685	1 685	1 685	1 685	-	-
Other assets			47 533	57 314	52 497	19 056	23 889	23 889	-	-	-
Agricultural Assets			-	-	-	-	-	-	-	-	-
Biological assets			-	-	-	-	-	-	-	-	-
Intangibles			133	507	329	329	329	329	329	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)		5	86 218	100 645	122 603	124 984	153 333	153 333	2 014	-	-

EXPENDITURE OTHER ITEMS									
<u>Depreciation & asset impairment</u>		4 733	7 717	10 228	9 230	10 039	10 039	10 541	-
<u>Repairs and Maintenance by Asset Class</u>	3	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-
Other assets	6.7	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		4 733	7 717	10 228	9 230	10 039	10 039	10 541	-
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	64.2%	0.0%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	148.2%	0.0%
R&M as a % of PPE		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal and R&M as a % of PPE		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	776.0%	0.0%

KZN236 Imbabazane - Table A10 Basic service delivery measurement

Description	Ref	2012/13	2013/14	2014/15	Current Year 2015/16			2016/17 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2016/17	Budget Year +1 2017/18	Budget Year +2 2018/19
Household service targets	1									
Water:										
Piped water inside dwelling		--	--	--	--	--	--	--	--	--
Piped water inside yard (but not in dwelling)		--	--	--	--	--	--	--	--	--
Using public tap (at least min. service level)		--	--	--	--	--	--	--	--	--
Other water supply (at least min. service level)		--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>		--	--	--	--	--	--	--	--	--
Using public tap (< min. service level)		--	--	--	--	--	--	--	--	--
Other water supply (< min. service level)		--	--	--	--	--	--	--	--	--
No water supply		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>		--	--	--	--	--	--	--	--	--
Total number of households	5	--	--	--	--	--	--	--	--	--
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		--	--	--	--	--	--	--	--	--
Flush toilet (with septic tank)		--	--	--	--	--	--	--	--	--
Chemical toilet		--	--	--	--	--	--	--	--	--
Pit toilet (ventilated)		--	--	--	--	--	--	--	--	--
Other toilet provisions (> min. service level)		--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>		--	--	--	--	--	--	--	--	--
Bucket toilet		--	--	--	--	--	--	--	--	--
Other toilet provisions (< min. service level)		--	--	--	--	--	--	--	--	--
No toilet provisions		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>		--	--	--	--	--	--	--	--	--
Total number of households	5	--	--	--	--	--	--	--	--	--
Energy:										
Electricity (at least min. service level)		--	--	--	--	--	--	--	--	--
Electricity - prepaid (min. service level)		--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>		--	--	--	--	--	--	--	--	--
Electricity (< min. service level)		--	--	--	--	--	--	--	--	--
Electricity - prepaid (< min. service level)		--	--	--	--	--	--	--	--	--
Other energy sources		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>		--	--	--	--	--	--	--	--	--
Total number of households	5	--	--	--	--	--	--	--	--	--
Refuse:										
Removed at least once a week		--	--	--	--	--	--	--	--	--
<i>Minimum Service Level and Above sub-total</i>		--	--	--	--	--	--	--	--	--
Removed less frequently than once a week		--	--	--	--	--	--	--	--	--
Using communal refuse dump		--	--	--	--	--	--	--	--	--
Using own refuse dump		--	--	--	--	--	--	--	--	--
Other rubbish disposal		--	--	--	--	--	--	--	--	--
No rubbish disposal		--	--	--	--	--	--	--	--	--
<i>Below Minimum Service Level sub-total</i>		--	--	--	--	--	--	--	--	--
Total number of households	5	--	--	--	--	--	--	--	--	--
Households receiving Free Basic Service	7									
Water (6 kilolitre per household per month)		--	--	--	--	--	--	--	--	--
Sanitation (free minimum level service)		--	--	--	--	--	--	--	--	--
Electricity/other energy (50kwh per household per month)		--	--	--	--	--	--	--	--	--
Refuse (removed at least once a week)		--	--	--	--	--	--	--	--	--
Cost of Free Basic Services provided - Formal Settlements (R'000)	8									
Water (6 kilolitre per indigent household per month)		--	--	--	--	--	--	--	--	--
Sanitation (free sanitation service to indigent households)		--	--	--	--	--	--	--	--	--
Electricity/other energy (50kwh per indigent household per month)		--	--	--	--	--	--	--	--	--
Refuse (removed once a week for indigent households)		--	--	--	--	--	--	--	--	--
Cost of Free Basic Services provided - Informal Formal Settlements (R'000)		--	--	--	--	--	--	--	--	--
Total cost of FBS provided		--	--	--	--	--	--	--	--	--
Highest level of free service provided per household										
Property rates (R value threshold)		--	--	--	--	--	--	--	--	--
Water (kilolitre per household per month)		--	--	--	--	--	--	--	--	--
Sanitation (kilolitre per household per month)		--	--	--	--	--	--	--	--	--
Sanitation (Rand per household per month)		--	--	--	--	--	--	--	--	--
Electricity (kwh per household per month)		4 000	5 033	6 133	6 133	6 133	6 133	6 133	--	--
Refuse (average litres per week)		--	--	--	--	--	--	--	--	--
Revenue cost of subsidised services provided (R'000)	9									
Property rates (tariff adjustment) (impermissible values per section 17 of MPRA)		--	--	--	8 043	8 043	8 043	8 445	--	--
Property rates - exemptions, reductions and rebates and impermissible values in excess of section 17 of MPRA		329	--	11 596	8 043	8 043	8 043	8 043	8 445	--
Water (in excess of 6 kilolitres per indigent household per month)		--	--	--	--	--	--	--	--	--
Sanitation (in excess of free sanitation service to indigent households)		--	--	--	--	--	--	--	--	--
Electricity/other energy (in excess of 50 kwh per indigent household per month)		--	--	--	--	--	--	--	--	--
Refuse (in excess of one removal a week for indigent households)		--	--	--	--	--	--	--	--	--
Municipal Housing - rental rebates		--	--	--	--	--	--	--	--	--
Housing - top structure subsidies		--	--	--	--	--	--	--	--	--
Other		--	--	--	--	--	--	--	--	--
Total revenue cost of subsidised services provided	6	329	--	11 596	16 086	16 086	16 086	16 488	8 445	--

RECOMMENDATIONS

It is recommended that the Council approves the following:

1. Property Rates Tariffs increase of 5% for the 2016/2017 financial year. The applicable tariffs below will come into effect 1 July 2016.

2016/2017 Tariffs	
Agriculture	0.0022
Agricultural Small holding	0.0022
Commercial	0.0064
Communal land	Non Rateable
Communal land and property ass	0.0045
Industrial	0.0064
P S I (first R 30000)	0.0064
State owned	0.0255
Municipal	Non Rateable
Place of worship	Non Rateable
CONSERVATION – NEMA	Non Rateable
RESIDENTIAL	0.0087

2. Approves the 2016/2017 MTREF Budget as per Budget Schedule A4
3. Approves the 2016/2017 CAPEX budget as per Budget Schedule A5

QUALITY CERTIFICATE

I, Sibusiso Patrick Radebe, Acting Municipal Manager of Imbabazane Local Municipality, hereby certify that the Draft Budget for 2016-2017 Financial year and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the Draft Budget and supporting documentation are consistent with the approved Integrated Development Plan of the Municipality.

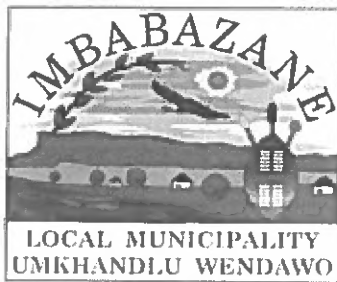
Name: Sibusiso Radebe

Acting Municipal Manager

OF: Imbabazane Local Municipality

Signature.....

Date.....09/05/2016.....



IMBABAZANE LOCAL MUNICIPALITY IMBABAZANE UMKHANDLU WENDAWO

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SPECIAL COUNCIL MEETING : 31 MARCH 2016
RESOLUTION NO : (9.1) SC016/03/31

9.1 DRAFT BUDGET DOCUMENT 2016-2017

{Annexure "A", attached separately}

A report was presented for the Council to consider the Draft Annual Budget for 2016/2017

Following consideration, it was unanimously

RESOLVED:

1. Property Rates Tariffs increase of 5% for the 2016/2017 financial year.

The applicable tariffs below will come into effect 1 July 2016.

	2016/2017 Tariffs
Agriculture	0.0022
Agricultural Small holding	0.0022
Commercial	0.0064
Communal land	Non
Communal land and property ass	Ratable
Industrial	0.0045
P S I (first R 30000)	0.0064
State owned	0.0064
Municipal	0.0255
Place of	Non
worship	Ratable
CONSERVATION – NEMA	Non
RESIDENTIAL	Ratable

**Non
Ratable
0.87**

2. Approves the 2016/2017 MTREF Draft Budget as per Budget Schedule A4
3. Approves the 2016/2017 CAPEX budget as per Budget Schedule A5.
4. And mandate the Acting Municipal Manager to sign Draft Budgetquality Certificate as required by budget regulations.

CERTIFIED AS A CORRECT COPY OF THE EXTRACT OF MINUTES TABLED
AT THE SPECIAL COUNCIL MEETING HELD ON 31 MARCH 2016 AT
IMBABAZANE LOCAL MUNICIPALITY



**RADEBE SP
ACTING MUNICIPAL MANAGER**